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January 24, 2002

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station
Boston, MA 02110

Re: D.T.E. 01-106 – Comments of Fall River Gas Company and North
Attleboro Gas Company

Dear Secretary Cottrell:

Fall River Gas Company and North Attleboro Gas Company (collectively, the “New England Gas Company” or the “Company”) hereby file comments in the above-referenced proceeding. On December 17, 2001, the Department of Telecommunications and Energy (the “Department”) issued an Order opening a Notice of Inquiry to investigate options to increase the penetration rate for discount programs currently offered to income-eligible residential gas, electric and telephone customers (the “NOI”). Specifically, the Department is seeking comments on the following issues relating to the enrollment verification and outreach efforts of the gas, electric and telephone companies with regard to their low-income discount rates:

- describe outreach efforts to identify eligible discount customers;
- describe current procedures used for subscriber eligibility verification and enrollment;
- discuss whether current subscriber eligibility standards would permit utilities to enroll each other's customers in discount programs;
- discuss strategies for addressing varying income requirements of public benefit programs;
- discuss whether utilities could implement a computer matching program to verify subscriber eligibility and enroll eligible customers

in discount programs;

- discuss whether any legal impediment exists to enrolling eligible customers in all available discount programs; and
- discuss privacy concerns relating to electronic sharing of financial or other confidential information.

NOI at 5-6.

The Department stated in its NOI that the purpose of this investigation is to “develop efficient and reliable means of verifying customer eligibility for discount programs.” *Id.* at 1. As described below, New England Gas Company performs substantial outreach to all of its customers regarding the availability of the Company’s low-income rates. Through the participation of local fuel assistance agencies, the Company is able to enroll eligible customers automatically in its low-income rates and works with other social service agencies to identify and enroll additional eligible customers. Thus, the Company appreciates the opportunity to respond to the Department’s questions set forth in its NOI.

- **Describe outreach efforts to identify eligible discount customers.**

New England Gas’ outreach efforts include:

- Periodic bill inserts and informational handouts: The Company communicates with customers with respect to low-income eligibility by using periodic bill inserts and an annual customer handout describing eligibility criteria of programs that help customers pay their gas bill. The guidelines for the Company’s low-income rate and Fuel Assistance Program are included in the customer handout. A bill insert was sent to customers of Fall River in November 2000, February 2001 and December 2001 and to customers of North Attleboro in February 2001. The handout is available to walk-in customers and is mailed to customers upon request.
- Annual notification of the Fuel Assistance Program: The Company notifies customers on an annual basis regarding eligibility criteria and contact information for the Fuel Assistance Program. In Fall River, it is communicated in English and Portuguese as a bill message and in newspaper and radio advertisements prior to the winter heating season.

- Routine communication: The Company routinely communicates with the local fuel-assistance agencies, including Citizens for Citizens ("CFC"), that serve Fall River's service territory, and Self-Help, serving North Attleboro's service territory. These discussions focus on enrollment policies and procedures for individual customers having difficulty paying their gas bill.
 - Customer Service Representatives: The Company's customer-service representatives are trained to promote and provide information to customers on the Fuel Assistance Program, low-income rates, and all other programs that may help customers pay their winter heating bills.
 - Website: The Company posts information on its website regarding the application procedure for the Company's low-income rates.
- **Describe current procedures used for subscriber eligibility verification and enrollment.**

Eligibility for the Company's low-income rates is based upon verification of a customer's receipt of any means-tested public benefit program or verification of the eligibility for the low-income home energy assistance program or its successor program, for which eligibility does not exceed 175 percent of the federal poverty level based on a household's gross income or other criteria approved by the Department. Customers are enrolled on the Company's low-income rates if they receive benefits from one or more of the following public-benefit programs:

- Fuel Assistance;
- Supplemental Social Security;
- Transitional Assistance ("Welfare");
- Food Stamps; and
- Supplemental Nutrition Program for Women, Infants and Children ("WIC").

The following descriptions provide the verification procedures for each program.

- Fall River's customers who are eligible and receive fuel assistance are automatically enrolled or re-enrolled on the Company's low-income rate. The enrollment period for fuel assistance applications is November through March. During this period, Fall River receives a monthly electronic listing of individuals that are newly eligible from CFC. This listing is inputted into the Company's customer information system. The rate classes for such newly eligible customers are updated to the Company's low-income rate. The

data also includes a financial hardship code and application number. This one-way exchange of data allows the Company to automatically enroll or re-enroll annually all customers receiving fuel assistance on its low-income rate.

The data is run against billing records for a match of account number and meter number. If there is no match, the record is returned to CFC to make necessary adjustments. At the end of the month, the Company receives an additional customer listing to adjust billing information. This list is compared to the Company's listing of customers on its low-income rate. This process ensures that fuel assistance recipients receive a discounted rate. Fuel assistance recipients are required to re-apply annually.

For North Attleboro, Self-Help sends to the Company periodic listings of those North Attleboro customers who will be receiving fuel assistance for the current heating season. These customers are then transferred to the Company's low-income rate.

- Customers who receive Supplemental Social Security ("SSI") are required to complete an information disclosure form. For customers of Fall River, the disclosure form is used as a bill insert and sent to all customers. SSI recipients submit the form to the Social Security Administration Office for authorization. If the Company receives such authorization, the customer is enrolled on the Company's low-income rate. SSI recipients are required to re-apply annually.
- Customer service representatives process verification of Welfare, Food Stamps, and WIC internally. The customer is required to provide a receipt of program benefits along with proper identification. If a customer is deemed eligible for the Company's low-income rates, a Company service representative will complete a change of rate form. The billing department processes this form and the customer is enrolled on the low-income rate as of the next scheduled billing date.

- **Discuss whether current subscriber eligibility standards would permit utilities to enroll each other's customers in discount programs.**
- **Discuss strategies for addressing varying income requirements of public benefit programs.**

The Department has asked commenters separately to discuss: (1) subscriber eligibility standards among the Utilities and whether such standards would allow the utilities to enroll each other's customers in their discount programs; and (2) the varying income requirements of public benefit programs. These two issues are interrelated in that the utilities' eligibility standards are based, primarily, on the income requirements of public benefit programs and different companies may recruit enrollees from a variety of public programs that have varying eligibility thresholds.

For example, the Company enrolls customers in its low-income rates to the extent that they are eligible for one of five general means-tested public benefits: (1) fuel assistance; (2) SSI; (3) Welfare; (4) food stamps; and (5) WIC. To the extent that the utilities serving the Company's service territory¹ allow customers eligible for these same programs to be eligible for their respective low-income rates, the Company could work with those utilities to share enrollment information, although privacy concerns would be implicated. To the extent that some utilities have additional means-tested programs under which customers may be eligible for their low-income rates, New England Gas may be able to enroll its customers based on such programs providing that privacy issues could be resolved. Accordingly, the Company is willing to discuss this issue further with the other utilities serving its customers in order to determine the best means of overcoming any discrepancies in eligibility standards. However, as discussed below, traditionally the Company has kept its customer information private and would need to confirm that any sharing of its customer information with other utilities would not violate state or federal privacy laws.

- **Discuss whether utilities could implement a computer matching program to verify subscriber eligibility and enroll eligible customers in discount programs.**

As discussed previously, Fall River receives information regarding its customers that are enrolled in fuel assistance programs from the fuel assistance agency serving Fall River's customers. The Company uses this information to

¹ The electric companies serving the Company's service territory are Massachusetts Electric Company and NSTAR Electric. Local telephone services are provided by Verizon. In addition, the town of North Attleboro is served by a municipal electric department, the North Attleboro Municipal Light Department.

verify customer eligibility for low-income rates and to enroll (or re-enroll) eligible customers. The Company is willing to explore participation in a broader computer-matching program with public agencies to the extent such agencies are amenable to providing information about their clients to the Company. The ability of such agencies to provide this information, however, may be limited by federal and state privacy laws. See 20 C.F.R. 401 et seq. (governing prohibitions on data exchanges under the federal Freedom of Information Act and federal Privacy Act) and 106 C.M.R. 104.080 (governing prohibitions on data exchange by the Massachusetts DTA). In addition, there may be limitations on the technical alternatives for exchanging such data. The costs of implementing special technology solutions to allow for the exchange of data could be prohibitive and may not be warranted if other alternatives exist for sharing the information (perhaps through the use of a third-party mailing house). Accordingly, further discussions with relevant public agencies must occur before the Company may participate in a computer matching program with such agencies to enroll customers in low-income rates.

- **Discuss whether any legal impediment exists to enrolling eligible customers in all available discount programs.**
- **Discuss privacy concerns related to electronic sharing of financial or other confidential information.**

The Department's questions regarding legal impediments and privacy concerns regarding the sharing of customer information among the utilities can be answered in tandem. Legally, privacy issues are the primary impediment both to: (1) enrolling eligible customers in available discount programs across utilities; and (2) sharing customer information, electronically, or otherwise, between public assistance agencies and utilities. As noted previously, the Company traditionally has not shared customer information with other companies in order to maintain the privacy of its customers. This practice is consistent with Massachusetts privacy law. See G.L. c. 214, § 1B. In addition, to the extent that a customer of the Company is eligible for the Company's low-income rates through the customer's eligibility for a federally funded means-tested program, permission to exchange information regarding such customers receipt of federal benefits may need to be sought from the federal agency administering such program. See, e.g., 20 C.F.R. 401 et seq. (governing prohibitions on data exchanges under the federal Freedom of Information Act and federal Privacy Act) and 20 C.F.R. 401.115 (which states that "[t]he [Social Security Administration] Commissioner has authority to disclose [confidential client] information not otherwise specifically allowed by this regulation if not prohibited by federal law").

New England Gas looks forward to discussing these issues further with the Department and interested parties as this proceeding progresses. Should

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you have questions regarding these comments, please feel free to contact me or Kerry Britland at the following address:

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Thank you for your attention to this matter.

Sincerely,

Cheryl M. Kimball

Enclosures

cc: Chairman Connelly
Commissioner Keating
Commissioner Vasington
Commissioner Sullivan
Commissioner Manning
Paul G. Afonso, General Counsel
Peter Czekanski, Director-Pricing, New England Gas Company
Sharon Partridge, Vice President, New England Gas Company